COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CLEARWATER DISPOSAL)
SYSTEM FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY FOR THE) CASE NO. 10180
CONSTRUCTION OF A SANITARY SEWER)
EXTENSION

ORDER

By joint application filed February 22, 1988, Clearwater Disposal, Inc. ("Clearwater"), and Ambleside, Ltd. ("Ambleside"), are seeking a certificate of public convenience and necessity for construction of sewers to serve 60 lots being developed as Phase III of the Gunnergate Subdivision, Bell County, Kentucky. The existing sewage collection and treatment system is owned and operated by Clearwater. Ambleside, the developer of the lots, will bear all costs for the proposed construction and will anticipate recovery of its costs through sale of its 60 new lots. Clearwater will assume ownership and operating responsibility upon completion of construction by Ambleside.

The construction plans and specifications prepared by Vaughn and Melton Engineers-Architects, Middlesboro, Kentucky, ("Engineer") have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

The Commission, after consideration of the application and evidence of record and being advised, is of the opinion and finds that:

- 1. Public convenience and necessity require that the construction proposed in the application and record be performed.
- 2. The proposed construction includes extension of the existing Gunnergate sewer system to provide for the collection of sewage for the 60 new residential lots to be developed as Gunnergate Phase III.
- 3. Any deviation from the construction herein approved which could adversely affect service to any customer should be done only with the prior approval of the Commission.
- 4. Clearwater should furnish documented proof of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Said construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Sewage Utilities prescribed by the Commission.
- 5. Clearwater should provide full-time resident inspection under the general supervision of a professional engineer with a Kentucky registration in civil or mechanical engineering to insure that the construction work is done in accordance with the contract plans and specifications and in conformance with the best practices of the construction trades involved in the project.
- 6. Clearwater should furnish the Commission with a copy of the "as-built" drawings and a signed statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the date of substantial completion of this construction.

IT IS THEREFORE ORDERED THAT:

- 1. Clearwater be and it hereby is granted a certificate of public convenience and necessity to perform the proposed construction as set forth in the plans and specifications of record herein.
- 2. Clearwater shall comply with all matters set forth in Findings 3 through 6 as if the same were individually ordered.

Done at Frankfort, Kentucky, this 10th day of May, 1988.

PUBLIC SERVICE COMMISSION

Chairman

Robert M. Daves

Vice Chairman

Commissioner

ATTEST: